Outlook

FOCUSING ON RETIREMENT ISSUES FOR MASSPORT EMPLOYEES PAST AND PRESENT

Published by the Massachusetts Port Authority Employees' Retirement System (MPAERS)

Vol. 7, No. 3
Winter 2006/07

Don't Miss This Year's Financial Fair at the Logan Office Center

The Massport Employees' Retirement System is once again hosting an **Employee Financial Fair** at the Logan Office Center. The fair will take place on Wednesday, January 17, 2007 from 11:00 a.m. – 2:00 p.m.

This is a great opportunity for Massport employees to get information on various personal finance topics. Tables will be set up on the 2nd and 3rd floors for employees to stop by, pick up materials, and ask questions. If you'd like, you can also attend one of our "mini-seminars" on topics like saving for college and budgeting 101.

Active employees are invited to this event which is geared toward helping you maintain a sense of financial well-being throughout your working and retired life. The purpose of the event is also to help you understand how one component of your post-retirement income – your Massport pension – fits in with the other pieces of your overall financial picture.

If you are a Massport employee, stop by the Logan Office Center on January 17th to get information, ask questions and enter to win a prize! Light refreshments will be served.

Wednesday, January 17th*

Things to do at the Financial Fair

- Enroll in deferred comp
- Sign up for a home buying class
- Open a vacation account at the credit union
- Learn how to get out of debt and improve your credit
- Find out about long-term financial planning
- Pick up materials and get your finance questions answered
- Win some great prizes!!!

Financial Fair will include representatives from the following organizations:

- Massport Employees' Retirement System
- Massport Human Resources Department
- Centers for Financial Education/Consumer Credit Counseling
- City of Boston Home Center
- The Financial Planning Association (FPA)
- Health Resources (EAP)
- ING
- Massachusetts Affordable Housing Alliance
- Massachusetts Educational Financing Authority
- Metropolitan Credit Union
- Salem Five Bank
- Social Security Administration
- USAlliance Federal Credit Union
- U.S. Department of Labor Employee Benefits Security Administration
- U.S. Department of Labor Women's Bureau

**In case of snow please call (617) 568-3951 for event status.*

Retirement Board Member Appointed to Gov. Patrick's Cabinet

Congratulations to Massport Retirement board member Leslie Kirwan who was recently appointed as the secretary of administration and finance in the Deval Patrick administration.

Leslie has been Massport's director of administration and finance and secretary-treasurer since 1997 and helped lead the Authority through its fiscal recovery following the terrorist attacks on 9/11.

Prior to joining Massport, Leslie served as the undersecretary and chief of staff at the Executive Office of Administration and Finance under Governor William Weld. In her return to the State House as the new budget chief, Leslie is also making history as the first woman hired for that position.

We appreciate all of her hard work and dedication as Treasurer-Custodian and ex officio member of the retirement board over the past 10 years.

Our loss is the Commonwealth of Massachusetts' gain. Good luck Leslie!

Newly appointed Secretary of Administration and Finance Leslie Kirwan poses with Governor Deval Patrick and her son, Chris.

Members to Receive New Comprehensive Retirement Statements

The Massport Employees' Retirement System announces the arrival of comprehensive retirement statements beginning in the spring of 2007.

The new and improved statements will feature pension estimates and information to aid you in planning for a secure retirement.

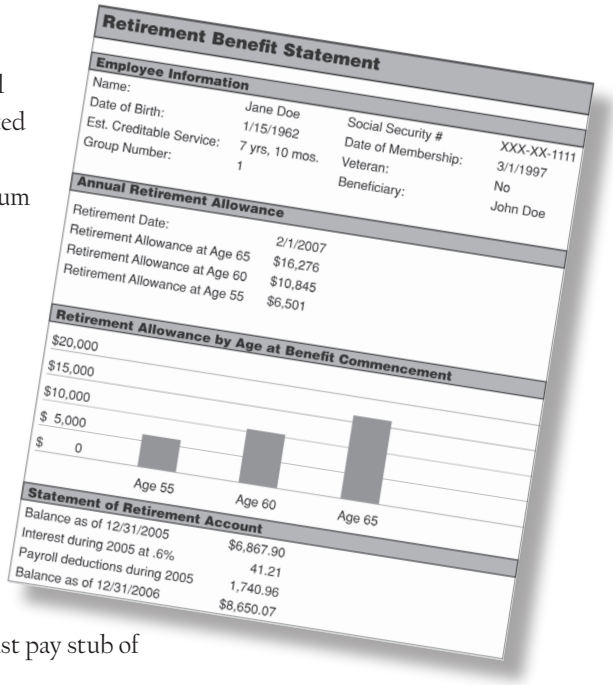
We are pleased to offer this enhanced service to members. Please note that you will no longer receive an annual statement from us in January.

Filing State Taxes

Massachusetts residents can deduct up to $2,000 for contributions made to a Massachusetts Retirement fund. This applies to your state tax return only. Some employees use their annual statement when filing their taxes; however, this is generally unnecessary.

Most employees will have contributed more than the $2,000 maximum deduction for 2006. Exceptions to this would be if you were hired in 2006 or had any time off the payroll. In that case, you should refer to your last pay stub of 2006 which contains your total year-to-date retirement contributions.

If you have any questions, please contact the retirement office at (617) 568-3951.



Save More in 2007 with Deferred Comp Plan

The maximum contribution that employees can make to the 457 deferred compensation "SMART" plan increases with each calendar year. For 2007, the maximum is $15,500 annually or approximately $298 a week.

If you are age 50+, you are eligible for the Catch-up program which has an annual limit of $20,500. There is also an additional Catch-up program which could allow you to defer even more money for retirement.

Of course, if you are not participating at all, you can start small. The minimum contribution is $5 weekly and it is deducted automatically from your paycheck once you enroll.

For more information about the deferred compensation plan, contact ING Representative Nicole Payne at (781) 768-4841.

Holiday Bliss at Logan Office Center

The Retirement System once again sponsored the **Holiday Bliss or Blitz** seminar at Logan Office Center in December.

The purpose of this fun and informative seminar is to help employees learn how to control their spending and stay out of debt during the holiday season.

Amy Perry from the Centers for Financial Education demonstrated why employees should resist the temptation to use credit cards for holiday purchases (you could still be paying interest on those gifts 30 years from now!). Employees discussed different ways to reduce spending, stay out of debt, and be more joyful – and less stressed – during the holiday season.

Attendees munched on delicious cookies and brownies donated by Dancing Deer Baking Company (www.dancingdeer.com) and each left the seminar with tools for holiday budgeting and a free coffee coupon donated by Westfield Management. Many thanks to Westfield and Dancing Deer for their generous donations in support of financial education for public employees!

Thank you to all who participated in this important education session.

Banking Services Available to Employees and Retirees

Massport employees and retirees can take advantage of quarterly promotions and special discounts on products and services from three banking institutions that the Authority does business with. The Human Resources department helps employees connect with representatives from Metropolitan Credit Union, Salem Five Bank and USAlliance Federal Credit Union.

As a service to members of the Retirement System, we are using this space in *Outlook* to highlight information from each credit union/bank so you can be well-informed and shop around for the company that best serves your needs.

Feel free to contact each representative listed here for more information about their particular products and services.

Also, employees will have an opportunity to meet with these company representatives in person at the Massport Retirement System's Employee Financial Fair to be held at Logan Office Center on Wednesday, January 17th. Don't miss it!

Metropolitan Credit Union

Headquarters: Chelsea
Branches: Chelsea, Swampscott, Peabody, Lawrence, Tewksbury, Burlington, Framingham

Massport Representative

Carlos Vaquerano
(617) 889-7753
E-mail: cvaquerano@metrocu.org
Web: www.metrocu.org

Banking Hours

M, T, W 9 a.m.–5 p.m.,
Th & F 9 a.m.–6 p.m.,
Sat 9 a.m.–1 p.m.
Telephone Banking:
(800) 423-5699

Product Highlights

- Savings
- Vacation Clubs
- Free checking
- Certificate of Deposit
- Retirement accounts
- Auto loans- new/used and refinance
- Christmas Clubs
- Personal loans
- Mortgages & 1st time buyer programs
- Money market
- Home equity loans
- Payroll deductions made easy with Metro's 1-2-3 form

Salem Five Bank

Headquarters: Salem, MA
Branches: Beverly, Danvers, Marblehead, No. Andover, Peabody, Saugus, Swampscott, Boston, Hamilton/Wenham, Lynn, Malden, Middleton, and Woburn (opening soon).

Massport Representative

Jean Montgomery Lesogor
(617) 248-2430
E-mail: Jean.Montgomery@salemfive.com
Web: www.salemfive.com

Banking Hours

7-day banking in Beverly, Danvers, Marblehead, North Andover, Peabody, Salem, Saugus and Swampscott.
Other branches typically open 9 a.m.–5 p.m. Extended hours Th & F; Sat. hours also.
Boston branch open M–F 8 a.m.–5 p.m. (no weekends).
Telephone Banking: (800) 472-5965

Product Highlights

- Free checking with direct deposit
- Free savings
- Free On-The-Job Savings account
- Free online banking with bill pay
- Overdraft protection with no annual fee
- Discounted mortgage closing costs (including 1st time homebuyer programs)
- Free financial plan with Salem Five Investment Services, LLC
- No minimum balance requirement for checking with direct deposit
- Free ATMs worldwide - no fees from either bank

USAlliance Federal Credit Union

Headquarters: Waltham
(Massachusetts Headquarters)
Branches: Cambridge, Malden, Danvers, Waltham

Massport Representative

Michael Menas
(800) 431-2754 ext 2769
E-mail: mmenas@usalliance.org

Jean Clark
(800) 431-2754 ext 2723
E-mail: jclark@usalliance.org
Web: www.usalliance.org

Banking Hours

All branches open at 8 a.m. M–F, Sat 9 a.m.–1 p.m., extended hours Th and F.

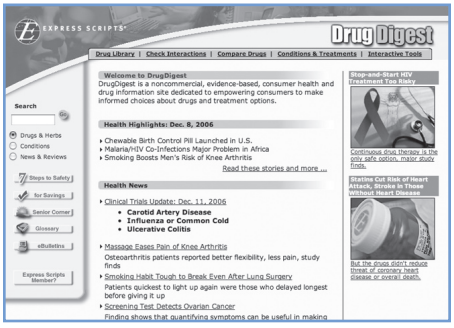
Product Highlights

- Free interest-bearing checking with no minimum balance requirement
- Higher rate savings products including CDs (long-term and short-term)
- Low rate car loans including free auto loan refinancing
- A network of 28,000 surcharge free ATMs
- Free full service internet branch and online banking
- Funds are insured up to $100,000 by the NCUA
- Home Mortgages with programs to fit most people
- Low interest VISA credit cards
- Low interest personal loans
- Home equities
- Rebate debit card
- Electronic statements
- IRAs

Web Watch

For those of you who have access to the Internet, there is a wealth of information to be found there. In this section we highlight web sites that we have found helpful, informative, interesting or just plain fun.

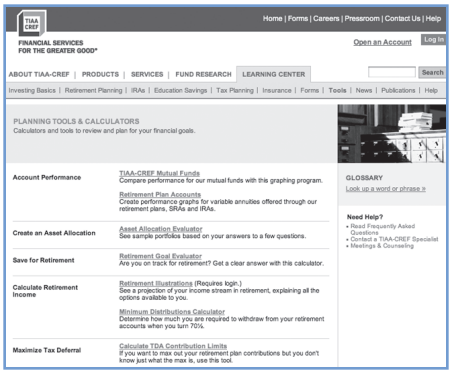
Pharmacy Info at Your Fingertips


EXPRESS SCRIPTS
Drug Digest
Drug Library | Check Interactions | Compare Drugs | Conditions & Treatments | Interactive Tools
Welcome to DrugDigest
DrugDigest is a noncommercial, evidence-based, consumer health and drug information site dedicated to empowering consumers to make informed choices about drugs and treatment options.
Health Highlights: Dec. 8, 2006
Chewable Birth Control Pill Launched in U.S.
Malaria/HIV Co-Infections Major Problem in Africa
Smoking Boosts Men's Risk of Knee Arthritis
Read these stories and more ...
Health News
Clinical Trials Update: Dec. 11, 2006
Carotid Artery Disease
Influenza or Common Cold
Ulcerative Colitis
Massage Eases Pain of Knee Arthritis
Osteoarthritis patients reported better flexibility, less pain, study finds
Smoking Habit Tough to Break Even After Lung Surgery
Patients quickest to light up again were those who delayed longest before giving it up
Screening Test Detects Ovarian Cancer
Finding shows that quantifying symptoms can be useful in making
Search
Drugs & Herbs
Conditions
News & Reviews
Steps to Safety
Savings
Senior Corner
Glossary
eBulletins
Express Scripts Member?
Stop-and-Start HIV Treatment Too Risky
Continuous drug therapy is the only safe option, major study finds.
Statine Cut Risk of Heart Attack, Stroke in Those Without Heart Disease
But the drugs didn't reduce threat of coronary heart disease or overall death.

The Internet allows consumers to do a great deal of research and comparison shopping – even when it comes to prescription drugs. At **www.drugdigest.org** you can look up almost any medication in their A-Z drug library. Compare one drug against another with the drug comparison feature while also checking on possible side effects. At Drug Digest you can find detailed information about your prescription, what drugs may interact with it, and if there is a generic version available to save you money. The site has other helpful tools including risk assessments for various health problems, clinical trial updates, and other health news.

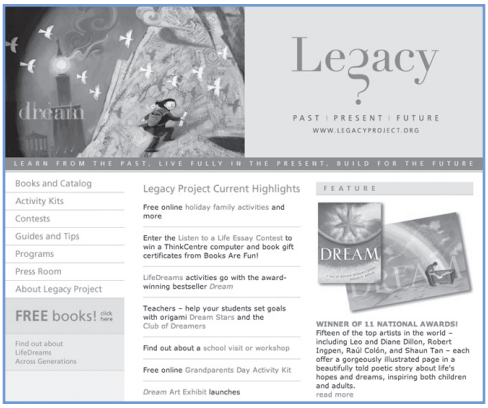
Take the Guesswork Out of Life Insurance

Do you have enough life insurance? Many people are underinsured while others are paying for coverage they no longer need. To see how your life insurance adds up, check out TIAA-CREF's Life Insurance Needs Analysis at **www.tiaa-cref.org/support/tools/index.html**. This helpful tool factors in your assets, liabilities, and dependent information to help you reach a coverage amount that makes sense. This page features many other financial tools including a Retirement Goal Evaluator, a Minimum Distributions Calculator, and a Roth Conversion Calculator. *Note: TIAA-CREF is a financial services company that sells insurance and investment products.*


TIAA CREF
FINANCIAL SERVICES FOR THE GREATER GOOD
Home | Forms | Careers | Pressroom | Contact Us | Help
Open an Account
Log In
ABOUT TIAA-CREF | PRODUCTS | SERVICES | FUND RESEARCH | LEARNING CENTER
Search
Investing Basics | Retirement Planning | IRAs | Education Savings | Tax Planning | Insurance | Forms | Tools | News | Publications | Help
PLANNING TOOLS & CALCULATORS
Calculators and tools to review and plan for your financial goals.
Account Performance
TIAA-CREF Mutual Funds
Compare performance for our mutual funds with this graphing program.
Retirement Plan Accounts
Create performance graphs for variable annuities offered through our retirement plans, SRAs and IRAs.
Create an Asset Allocation
Asset Allocation Evaluator
See sample portfolios based on your answers to a few questions.
Save for Retirement
Retirement Goal Evaluator
Are you on track for retirement? Get a clear answer with this calculator.
Calculate Retirement Income
Retirement Illustrations (Requires login.)
See a projection of your income stream in retirement, explaining all the options available to you.
Minimum Distributions Calculator
Determine how much you are required to withdraw from your retirement accounts when you turn 70½.
Maximize Tax Deferral
Calculate TDA Contribution Limits
If you want to max out your retirement plan contributions but you don't know just what the max is, use this tool.
GLOSSARY
Look up a word or phrase »
Need Help?
Read Frequently Asked Questions
Contact a TIAA-CREF Specialist
Meetings & Counseling

Bringing History to Life

Did your grandparents ever tell you those "When I was a kid..." stories? Sharing experiences is important and the Legacy Project is designed to get people talking across generational lines. The site's motto is "learn from the past, live fully in the present, and build for the future." It features an activity center and contests for children, teens and adults to help people connect in creative ways. The site is currently running an essay contest for kids ages 8-18 (they have to interview someone at least 50 years older than them). Check it out at **www.legacyproject.org**.


dream
Legacy
PAST | PRESENT | FUTURE
WWW.LEGACYPROJECT.ORG
LEARN FROM THE PAST, LIVE FULLY IN THE PRESENT, BUILD FOR THE FUTURE
Books and Catalog
Activity Kits
Contests
Guides and Tips
Programs
Press Room
About Legacy Project
FREE books!
Find out about LifeDreams Across Generations
Legacy Project Current Highlights
Free online holiday family activities and more
Enter the Listen to a Life Essay Contest to win a ThinkCentre computer and book gift certificates from Books Are Fun!
LifeDreams activities go with the award-winning bestseller Dream
Teachers – help your students set goals with origami Dream Stars and the Club of Dreamers
Find out about a school visit or workshop
Free online Grandparents Day Activity Kit
Dream Art Exhibit launches
FEATURE
DREAM
WINNER OF 11 NATIONAL AWARDS!
Fifteen of the top artists in the world – including Leo and Diane Dillon, Robert Ingpen, Raúl Colón, and Shaun Tan – each offer a gorgeously illustrated page in a beautifully told poetic story about life's hopes and dreams, inspiring both children and adults.
read more

** Legal note: The Retirement System is not responsible for the content of these web sites or for the accuracy and completeness of the information contained in them.*

Transitions

Condolences

We regret to inform you that the following retirees have passed away:

- Philip Bates
- Carl Yastrzemski, Sr.

Congratulations

The following people retired recently and we wish them all the best for a successful future:

- ★ Steven Barrasso
- ★ George Hertz
- ★ Christine Kutasz
- ★ Michael O'Brien
- ★ Alberta Quaglia
- ★ Robert Rowley
- ★ Nancy Timmerman

A Fresh Start for a New Year

The retirement library at Logan Office Center houses a wide variety of books on personal finance topics including retirement planning, saving, budgeting, investing, estate planning, homebuying, and basic money management themes. Stop by and check them out. Here are a few examples:

Set Your Plan for 2007

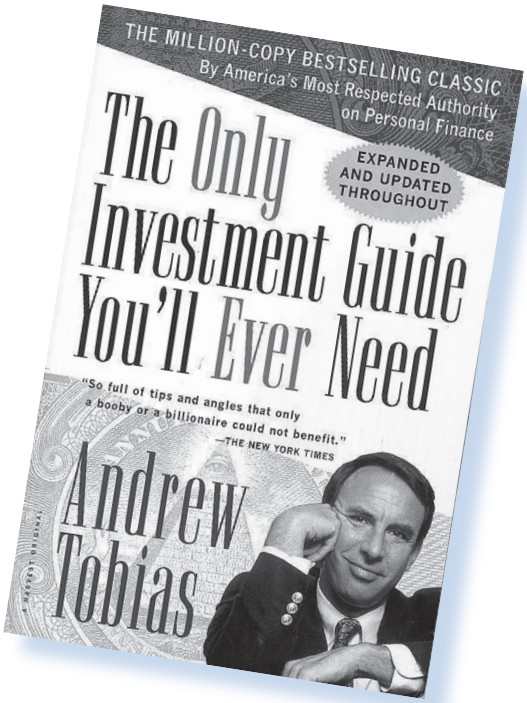
The new year is a great time to assess your financial plan. If you don't have one, well, that's a good place to start!

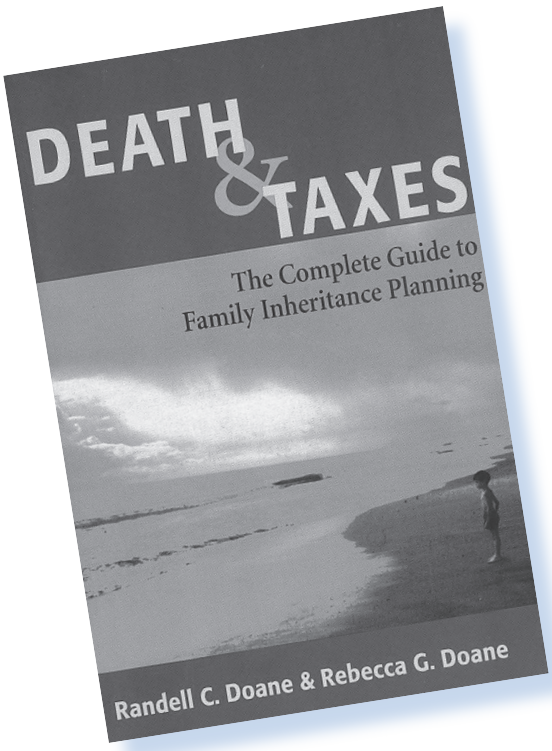
Here are two books that can help you with estate planning and investing. Both break down complex information so that the average person can find what they are looking for without being too overwhelmed.

The Only Investment Guide You'll Ever Need

By Andrew Tobias

This best-seller covers investment and money management in down-to-earth language you can understand. The author even has a sense of humor, as demonstrated by the title of the first chapter on the stock market, "Meanwhile, Down at the Track." This book covers the basics, but it is also a comprehensive guide to everything from IRAs to Zero-Coupon Bonds. Learn how to calculate your net worth, find your way around the stock market, and start planning for a secure future.


THE MILLION-COPY BESTSELLING CLASSIC
By America's Most Respected Authority on Personal Finance
EXPANDED AND UPDATED THROUGHOUT
The Only Investment Guide You'll Ever Need
"So full of tips and angles that only a booby or a billionaire could not benefit."
—THE NEW YORK TIMES
Andrew Tobias



Death and Taxes

By Randell C. Doane and Rebecca G. Doane

With such an alluring title, who wouldn't want to pick this up? Seriously, this is a great reference for those trying to learn more about estate planning. Whether you are beginning to think about a will or have just been named executor of an estate, this book contains a great deal of information including several question and answer sections and numerous definitions of terms. If you have just been put in charge of a charitable remainder trust, but have no idea what that means, check out this book.

"Instant Money" Has Its Price

The Massport Retirement System would like to once again caution members about using tax preparers who advertise "Instant Money" refund loans in the upcoming tax season.

The Consumer Federation of America and the National Consumer Law Center regularly issue warnings about these high cost, high interest loans, which charge borrowers a fee to get their refund earlier than they normally would.

As an example, a consumer might be charged $100 in loan fees for an average refund of $2,150. This is an effective annual interest rate (APR) of 178%. Even though these are low-risk loans, interest rates can vary from 40% to more than 700%!

In many cases, you can get your refund just as fast on your own. If you file your tax return electronically and request direct deposit to your bank account, your refund will generally arrive in less than two weeks.

The benefits of direct deposit

Is Your Pension Check Secure?

When the idea of direct deposit first came out many years ago, a lot of retirees were skeptical. Give up my paper check? No trip to the bank necessary? Something about it didn't feel right.

However, many years later, more than 80% of Massport's retirees enjoy the convenience and added safety of having their pension checks deposited directly into their bank accounts.

Direct deposit is one of the safest ways to get paid and Stephen Correia is an example of a recent convert. Correia has been retired for 15 years and has always received a paper check. "I'm an old-fashioned guy," says Correia. "I thought, 'Who needs this new stuff? I can just go to the mailbox and get my check.'"

After dealing with the hassle of his check being delayed in the mail for more than a week, Correia made the switch to direct deposit and couldn't be happier. "It seems that there is a lot less handling," he notes. "The money is sent electronically. There aren't a lot of middle men. The check doesn't have to go through different post offices and mail carriers; who knows how many people were handling it before? This takes the stress out of it."

With direct deposit, pension payments are made on the last business day of the month and your money is credited automatically. You don't have to do anything and you still receive a record of your payment in the mail each month.

Having direct deposit reduces the risk of your check being lost or stolen. It is also a safer choice for retirees with limited mobility who may have trouble getting to the bank during icy New England winters. If you are interested in signing up for direct deposit, call the retirement office at (617) 568-3951 to request a form.

If you don't like it, you can always switch back to the traditional payment method, but chances are you won't want to. Just ask Stephen Correia. "I should have done it years ago!" he says.

Retirement Board & Staff

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Calendar

JANUARY

15 Martin Luther King, Jr. Day: Massport offices closed

17 Financial Fair, Logan Office Center

26 Retirement checks mailed

31 Retirement Board Meeting: Logan Office Center, Board Room, 11:00 a.m.

FEBRUARY

14 Happy Valentine's Day

18 Chinese New Year

19 Presidents' Day: Massport offices closed

21 Ash Wednesday

23 Retirement checks mailed

28 Retirement Board Meeting: Logan Office Center, Board Room, 9:00 a.m.

MARCH

11 Daylight Saving Time begins – Set clocks ahead 1 hour

17 Happy St. Patrick's Day

21 Spring begins

27 Retirement checks mailed

28 Retirement Board Meeting: Logan Office Center, Board Room, 9:00 a.m.

** Meeting schedules are subject to change.*